STATE LAND SALE

NOTICE IS HEREBY GIVEN that the following described tract of land belonging to the State of Idaho and situated in Bannock County will be offered for sale at public auction at the Lava Hot Springs Foundation boardroom located at 430 East Main Street, Lava Hot Springs, Idaho 83246 on May 11, 2006 at 2:00 P.M.

A tract of land located in Lot 1, Section 21, Township 9 South, Range 38 East, B.M. being more particularly described as follows:

Beginning at a point In the South line of Section 21, Township 9 South, Range 38 East of the Boise Meridian in Bannock County, Idaho and 356.3 feet west of the Southeast Corner of said Section; thence west along said south line of said section to the east line of Third Avenue East of the Village of Lava Hot Springs, Idaho, projected; thence north at right angles and along the said east line of said Third Avenue East and projection to the South line of Main Street In the Village of Lava Hot Springs, Idaho; thence in an easterly direction along the south line of said Main Street in said Village of Lava Hot Springs, Idaho, a distance of 50 feet; thence at right angles and in a southerly direction 110 feet; thence at right angles and in an easterly direction to the Portneuf River; thence in a Southerly direction along the bank of the Portneuf River to a point 520.7 feet north of the south line of said Section 21, Township 9 South, Range 38 East of the Boise Meridian; thence east to the center of said Portneuf River; thence Southeasterly and upstream following the center line of said river to a point due north of the place of beginning; thence south to the southerly bank of the Portneuf River; thence continuing south to the PLACE OF BEGINNING together with 1 miner's inch of water of the waters of Fish Creek appurtenant to and beneficially used upon said lands.

ALSO:

Beginning at a point 25 feet east of the Northeast corner of Block 20 of the Townsite of Hall City in Section 21, Township 9 South, Range 38 East of the Boise Meridian in Bannock County, Idaho; thence running south 120 feet, more or less, to the south section line of said Section 21, Township 9 South, Range 38 East of the Boise Meridian; thence east following the South line of said Section 21, 375 feet, more or less, to the East line of said Third Avenue East of Hall City Townsite projected; thence North along said East line said Third Avenue East projected to the Southeast intersection corner of the Booth Street and said Third Avenue East as shown by the plat of said Hall City Townsite; thence West following the South line of said Booth Street 375 feet, more or less, to the Point of Beginning.

Subject to: State of Idaho Easement No. 2268 issued to Intermountain Gas Company.; State of Idaho Easement No. 2383 issued to the Village of Lava Hot

Springs.; State of Idaho Easement No. 5145 issued to Mountain States Telephone and Telegraph Co.; Easement issued to Utah Power & Light Co.

It will be the responsibility of the purchaser to verify the acreage by obtaining his own survey.

TERMS OF SALE

No bid of less than the appraised price of \$101,500 will be accepted.

The State of Idaho will not accept bids from any person, party, or corporation who at the time of sale is delinquent on active State contracts.

An interested bidder must submit an earnest money deposit in the amount of \$2,500.00 in the form of a bank issued check, such as a Cashier's check or Certified check, payable to the State of Idaho, Department of Lands, to become a qualified bidder. All earnest money deposits of unsuccessful bidders will be returned following the auction. The earnest money deposit from the successful bidder will be considered earned and becomes non-refundable liquidated damages in the event of the purchaser's default.

If the bidder is represented by another person, they must provide a signed and notarized "Verification of Bidder's Representation" form from the purchaser (available from the Idaho Department of Lands, 954 West Jefferson Street, Boise, Idaho 83702), along with a U.S.-approved picture identification.

Closing date is within thirty (30) days from the date of the auction. Purchaser will pay for the balance of the purchase price, closing costs, and document fees at the time of closing by a cashier's check or certified check.

Purchaser will provide a personal check for appraisal costs of \$4,000 and advertising costs (to be determined) at the close of the auction.

The State land sale parcel will be sold "as is". Prospective bidders should examine the property and conduct their own due diligence investigation regarding the property and status of the title.

All saleable minerals and all Geothermal Resources are reserved to the State of Idaho. (Idaho Code 47-701 and 47-701A)

For more information on the parcel, please visit our website: http://www.idl.idaho.gov/bureau/RealEstate/index_re.htm#upcoming.

Persons requiring special accommodations at the public land auction need to contact Perry Whittaker, Idaho Department of Lands, at (208) 334-0233 at least one week prior to auction date to make arrangements.

BY ORDER OF THE STATE BOARD OF LAND COMMISSIONERS WINSTON A WIGGINS Director